FILED
JUL 14 1998
OFFICE OF THE CLERK
SUPREME COURT, U.S.

No. 97-2045

In The
Supreme Court of the United States

OCTOBER TERM, 1997

SOUTH CENTRAL BELL TELEPHONE COMPANY, et al.

Petitioners,

vs.

**STATE OF ALABAMA AND
STATE DEPARTMENT OF REVENUE**

Respondents.

**On Petition for a Writ of Certiorari to the
Supreme Court of Alabama**

BRIEF IN OPPOSITION

BILL PRYOR
Attorney General, State of Alabama
*RON BOWDEN, Counsel
Department of Revenue and Assistant
Attorney General, State of Alabama
DAN E. SCHMAELING, Assistant Counsel
Department of Revenue and Assistant
Attorney General, State of Alabama
P. O. Box 320001
Montgomery, AL 36132-0001
(334) 242-9690

*Counsel of Record for Respondents

QUESTIONS PRESENTED

1. Whether the Alabama Supreme Court's application of state law *res judicata* principles to bar the Petitioners' federal constitutional challenge to a state tax is, under the circumstances, so extreme as to amount to a violation of Petitioners' rights to due process of law.

2. Whether Alabama's franchise tax impermissibly discriminates against interstate commerce by taxing Alabama corporations on the par or stated value of their stock while taxing the Petitioners (out-of-state corporations) on the value of their capital employed in Alabama.

3. Whether this Court should refrain from ruling on the appropriate remedy to apply to this case, which involves a constitutional challenge to a state tax statute and a request for a refund of taxes, when the court below did not have an opportunity to rule on the issue because it found no constitutional violation.

TABLE OF CONTENTS

	PAGE
Questions Presented	i
Table of Contents	ii
Table of Authorities	iii
Statement of the Case	1
1. The Proceedings Below.	1
2. The Statutory Scheme.	2
3. The Evidence.	4
Reasons for Denying the Writ	5
I. The Alabama Supreme Court correctly applied its valid principles of *res judicata* to bar this litigation.	5
II. The Alabama franchise tax on foreign corporations does not violate the Commerce Clause of the United States Constitution.	9
III. This Court should refrain from ruling on the remedy to be applied (should Alabama's tax be struck down) to allow the Alabama Supreme Court an opportunity to decide this issue in the first instance.	16
Conclusion	17

TABLE OF AUTHORITIES

	PAGE
Armco, Inc. v. Hardesty, 464 U.S. 638 (1984)	15
Bacchus Imports, Ltd. v. Dias, 468 U.S. 263, 270 (1984)	10
Bedingfield v. Jefferson County, 527 So.2d 1270	7
Best and Co. v. Maxwell, 311 U.S. 454-456	10
Camps Newfound/Owatonna, Inc. v. Town of Harrison, 117 S.Ct. 1590	9
Chemical Waste Management v. Hunt, 112 S.Ct. 2009, 2015 (1992)	13
Dairyland Ins. Co. v. Jackson, 566 So.2d 723 (Ala. 1990)	5
Fulton Corporation v. Faulkner, 516 U.S. 325 (1996)	9
Green v. Wedowee Hospital, 584 So.2d 1309 (Ala. 1991)	6
Harper v. Virginia Department of Taxation, 509 U.S. 86 (1993)	16
Henneford v. Silas Mason Co., 300 U.S. 577 (1937)	15
Martin v. Wilks, 490 U.S. 755, 109 S.Ct. 2180, 104 L.Ed.2d 835 (1989)	6

TABLE OF AUTHORITIES

PAGE

Maryland v. Louisiana,
451 U.S. 725 (1981) 15

NAACP v. Hunt,
891 F.2d 1555 C.A. 11 (Ala. 1990) 6

New Energy Company of Indiana v. Limbach, 108 S.Ct. 1803 (1988), ... 12

Oregon Waste Systems v. Department of Environmental Quality, 511 U.S. 93, 114 S.Ct. 1345, 128 L.Ed.2d 13 (1994) 9, 14

Reynolds Metals Company v. White,
558 So.2d 373 (Ala. 1989), cert. denied
496 U.S. 912 (1990) . . . . . passim

Richards v. Jefferson County,
517 U.S. 793, 116 S.Ct. 1761 (1996) . . 5, 6, 7

Whisman v. Alabama Power Company,
512 So.2d 78 (Ala. 1987) 6

Code of Alabama 1975
§40-14-40 . . . . . 2, 4
§40-14-41 1
§40-14-41(a), (b), (c) and (d) 2, 3
§40-14-70 4

Constitution of Alabama 1901 and Statutes

§§44, 212, 232 . . . . . 1, 3
§229 3

42 U.S.C. §1983 and 1988 . . . . . 1, 2

STATEMENT OF THE CASE

1. The Proceedings Below

The Taxpayers, foreign corporations doing business in Alabama, challenge the franchise tax levied against foreign corporations by §40-14-41, *Code of Ala. 1975*, for the years 1982 through 1991. They filed separate actions in the Circuit Court of Montgomery County as appeals of assessments, mandamus actions to compel the Department to grant petitions for refund of taxes and/or declaratory judgment actions. The actions were consolidated for trial. At the request of the parties, the actions were stayed pending the final outcome of *Reynolds Metals Company v. White*, 558 So.2d 373 (Ala. 1989), cert. denied 496 U.S. 912 (1990). (R. 26)

The Complaints filed prior to 1991 allege that the foreign corporation franchise tax violates the Commerce Clause, the Due Process Clause and the Equal Protection Clause of the United States Constitution, and the corresponding sections of the *Alabama Constitution of 1901*. They later included counts alleging violations of 42 U.S.C. §§1983 and 1988 (since abandoned), and §§44, 212 and 232, *Constitution of Alabama 1901*.

The Alabama Department of Revenue denied all claims and asserted that the Alabama foreign corporation franchise tax violates no constitutional provision and is valid in all respects. The Department also countered that even if the foreign corporation franchise tax is held to be unconstitutional, such

finding should be given prospective application only. The Department also pleaded that these actions are barred by the doctrine of *res judicata*, citing *Reynolds*, which upheld the constitutionality of Alabama's franchise tax regime against a similar attack.

The trial court held that the Taxpayers' claims are barred by *res judicata*. Because of the public importance of the issues presented, however, the trial court addressed the merits of the action, and stated its ruling on each of the issues raised by the parties. The court stated that it would rule in favor of the Department on all issues except the one alleging a violation of the Commerce Clause.

The Taxpayers appealed, the Supreme Court of Alabama affirmed without opinion, and this petition ensued.

2. The Statutory Scheme

The Taxpayers are classified as foreign corporations for the purpose of paying Alabama franchise tax pursuant to *Code of Ala. 1975*, §40-14-41(a). For purposes of the Alabama franchise tax, a foreign corporation is any corporation organized under the laws of any state other than Alabama. §40-14-41(a). A domestic corporation for purposes of the Alabama franchise tax is any corporation organized under the laws of Alabama. §40-14-40. (Stip. p.1-2)[1]

[1]The stipulated facts were admitted into evidence as Plaintiffs' exhibit 3. See Pet. App. 48a.

(Stip. p. 3)

Section 232, *Constitution of Alabama 1901*, provides for and authorizes the levy of a franchise tax on foreign corporations "based on the actual amount of capital employed in this State." Section 232 does not define "capital employed in this State." (Stip. p. 3)

Each foreign corporation doing business in Alabama pays franchise tax to the State in an amount which is determined by applying the tax rate of $3.00 per $1,000.00 of capital employed in the State of Alabama by that corporation. Pursuant to Ala. Code §40-14-41(b), "capital" comprises outstanding capital stock, surplus and undivided profits, long term debt, certain related party debts, and accelerated depreciation, less the exclusions and deductions from the tax base set forth in §40-14-41(d). The portion of the total capital that is employed in Alabama is allocated to the state pursuant to §40-14-41(c).

Section 229, *Constitution of Alabama 1901*, provides for and authorizes the levy of a franchise tax on domestic corporations "in proportion to the amount of capital stock." The franchise tax on domestic corporations is imposed for the privilege of corporate existence. Capital stock upon which the domestic franchise tax is based is not defined in either §229, *Alabama Constitution of 1901*, or *Code of Ala. 1975*, §40-14-40. (Stip. p. 3, 5)

The Alabama franchise tax imposed upon domestic corporations pursuant to §40-14-40 is computed by applying the tax rate of $10.00 per $1,000.00 to the amount of the par value of the capital

stock of corporations with par value capital stock, and to the amount of the stated value of the capital stock of corporations with no par capital stock.

In addition to the franchise tax, domestic corporations in Alabama pay a corporate shares tax, which is levied on the value of the shares of their stock. Ala. Code §40-14-70.

3. The Evidence

At the request of the Taxpayers, Dr. Larry Richards, Chairman of the Department of Decision Sciences, University of Oregon, prepared a study for the years 1988 through 1991 which purports to show that foreign corporations pay more franchise taxes than they would be required to pay were they domestic corporations. (R. 212-259) The overall results and conclusions of the study performed by Dr. Richards for the years 1988 through 1991 are substantially applicable to the years 1982 through 1987. (Stip. p. 17)

The Department prepared a study comparing the franchise tax actually paid by the named Plaintiffs as foreign corporations with the amount that they would have been required to pay had they been domestic corporations. That study shows that most of the Plaintiff corporations would have paid far more taxes as domestic corporations than they actually paid as foreign corporations. (R. 88-96) See Appendix.

REASONS FOR DENYING THE WRIT

The Petition misrepresents the legal standards applied by the Supreme Court of Alabama in an attempt to create a question that merits this Court's attention. The Supreme Court of Alabama did not refuse to apply this Court's due process standards for the application of *res judicata* contained in *Richards v. Jefferson County*, 517 U.S. 793 (1996), when it barred the Petitioners from litigating this case under state law *res judicata* principles.

Similarly, the Alabama Supreme Court did not refuse to apply this Court's commerce clause jurisprudence when it declined to strike down Alabama's system of franchise taxation. On the contrary, it correctly applied those standards to the Petitioners.

I. The Alabama Supreme Court correctly applied its valid principles of *res judicata* to bar this litigation.

In Alabama the elements of *res judicata*, or claim preclusion, are:

> A prior judgment on the merits; rendered by a court of competent jurisdiction; with substantial identity of the parties; and with the same cause of action presented in both suits.

Dairyland Ins. Co. v. Jackson, 566 So.2d 723 (Ala. 1990).

The party identity criterion of *res judicata* does not require complete identity, but only that the party against whom *res judicata* is asserted was either a party or in privity with a party to the prior action, or that the nonparty's interests were adequately represented by the parties in the prior suit, and that the relationship between the party and the nonparty is not so attenuated as to violate due process. *Whisman v. Alabama Power Company*, 512 So.2d 78 (Ala. 1987). For *res judicata* purposes, privity exists where the nonparty's interests were represented adequately by the party in the original suit or where a party to the original suit is so closely aligned to a nonparty's interest as to be his virtual representative. *NAACP v. Hunt* 891 F.2d 1555 C.A. 11 (Ala. 1990). Judgments can bind persons not party (or privy) to the litigation in question where the nonparty's interests were represented adequately by the party in the original suit. *Green v. Wedowee Hospital*, 584 So.2d 1309 (Ala. 1991).

Richards v. Jefferson County, 517 U.S. 793, 116 S.Ct. 1761 (1996), recognized an exception to the general rule that only parties to a lawsuit are bound by it "when it can be said that there is 'privity' between a party to the second case and a party who is bound by an earlier judgment." As this Court explained in *Martin v. Wilks*, 490 U.S. 755, 109 S.Ct. 2180, 104 L.Ed.2d 835 (1989):

> We have recognized an exception to the general rule when, in certain limited circumstances, a person, although not a party, has its interests adequately represented by someone with the same interests who is a party.

Thus, it can be seen that this court has adopted essentially the same standard as has the Supreme Court of Alabama with regard to the party identity criterion of *res judicata*. Because of the unique facts of their situation, the standard was applied correctly to the Taxpayers to preclude their challenge to Alabama's franchise tax. The Taxpayers' unique problem in this case is too insubstantial an issue to justify this Court's further review.

Richards essentially held that Birmingham's acting finance director and the city itself, which had challenged the same tax in *Bedingfield v. Jefferson County*, 527 So.2d 1270, did not adequately represent, or were not in privity with, the two privately employed taxpayers who sought to represent a class of all nonfederal employees subject to the county's tax. An obvious reason for the holding in *Richards* is that Birmingham's acting finance director and the city itself are not members of the class that the privately employed taxpayers in *Richards* sought to represent. The facts of the present case are distinguishable from *Richards* and support a different conclusion.

Both of the taxpayers in *Reynolds Metals Company v. White*, 558 So.2d 373 (Ala. 1989), cert. denied 496 U.S. 912 (1990), can be said to be members of the same class as the taxpayers in this case. The Taxpayers' interests were adequately represented by the taxpayers in *Reynolds*.

Reynolds is a major manufacturer with extensive plants located in the State of Alabama. Its franchise tax liability is substantial, so that it had every reason to protect its interest in this area. Furthermore, Reynolds

and its co-plaintiffs, General Motors Corporation, GMAC Leasing Corporation, and General Motors Acceptance Corporation, possess the resources to vigorously pursue their own best legal interests, and they did so. They were represented in the prior litigation by some of the top law firms in the State of Alabama, which rendered to them more than competent representation.

Both the *Reynolds* plaintiffs and the taxpayers in the present cases are foreign corporations doing business in Alabama subject to the Alabama franchise tax. Their interests with respect to the Alabama franchise tax parallel one another in that they both have a substantial financial interest in seeing to it that their franchise tax liability is minimized to the greatest extent possible.

Furthermore, one of the taxpayers in these cases filed a complaint during the pendency of the *Reynolds* case but allowed *Reynolds* to go forward while its suit remained dormant in anticipation that *Reynolds* would decide the issues that they seek to have resolved.[2] These taxpayers filed petitions for refund with the Department during the pendency of the *Reynolds* case, and allowed those petitions to languish pending a decision in *Reynolds*.

The Taxpayers are substantially identical to the *Reynolds* plaintiffs in that they all constitute major foreign corporations doing business in Alabama

[2]See letter to Judge Gordon from Byars dated January 19, 1990, R. 26; Pet. App. 65a.

subject to the franchise tax with identical interests with regards to the validity of the franchise tax. In a sense they have substantial identity or privity with the *Reynolds* plaintiffs. At the very least, they constitute nonparties to *Reynolds* whose interests were adequately represented in that case and under Alabama law are deemed to be substantially identical parties to the *Reynolds* plaintiffs.

II. The Alabama franchise tax on foreign corporations does not violate the Commerce Clause of the United States Constitution.

The Taxpayers argue that the Alabama franchise tax statute facially discriminates against interstate commerce and thereby violates the "virtually per se rule of invalidity" that this Court applies to facially discriminatory taxes, and cites *Camps Newfound/Owatonna, Inc. v. Town of Harrison*, 117 S.Ct. 1590 (1997); *Fulton Corporation v. Faulkner*, 516 U.S. 325 1996; and *Oregon Waste Systems, Inc. v. Department of Environmental Quality*, 511 U.S. 93 (1994), as authority for this proposition.

The pertinent Alabama statutes do not support the Taxpayers' allegation. Instead, they reveal that the measure of the franchise tax on foreign corporations is $3.00 per $1,000.00 of capital employed by the corporation in the State of Alabama. The measure of the tax levied on domestic corporations is $10.00 per $1,000.00 of capital stock of the corporation. Because the measure of the two taxes admittedly has different rates and bases, it cannot be determined from reading them whether any discrimination exists. If it can be

said that there is any facial discrimination in these statutes, however, it is against domestic corporations--not foreign ones--since the domestic corporations are taxed on all of their capital stock, whereas foreign corporations are taxed on only the capital that they employ within the State of Alabama; and since the rate applied against the domestic base is $10.00 per one thousand, while the rate applied against the foreign base is only $3.00 per one thousand.

The Taxpayers assert that Alabama's franchise tax "in its practical operation works discrimination against interstate commerce," *Best and Co. v. Maxwell*, 311 U.S. 454-456 (1940), and therefore violates the commerce clause prohibition against state taxes that have a "discriminatory effect," *Bacchus Imports, Ltd. v. Dias*, 468 U.S. 263, 270 (1984). *Reynolds* held otherwise, and the evidence in this case continues to support its holding.

The evidence shows that had the twelve named Plaintiffs in the present case paid franchise and shares tax to Alabama as domestic corporations rather than as foreign corporations, their taxes in most instances would have been increased many times over. The increases, which are detailed in a study prepared by the Department (attached as Appendix A to this brief), are no less than startling in amount.[3] After noting that a similar situation existed with respect to the taxes that one of the *Reynolds* Plaintiffs would have paid had it been taxed as a domestic corporation, the *Reynolds* Court stated "Thus, Alabama's taxation of domestic

[3]Expanded upon at R. 88-96.

and foreign corporations does not violate the Commerce Clause."

The Taxpayers argue that they submitted evidence in the trial court that was lacking in *Reynolds Metals* that "demonstrates that the franchise tax on foreign corporations discriminates against them for no other reason than the state of their incorporation." Their evidence consists of a study prepared by Dr. Richards (Taxpayers' Exhibit 1) comparing the amount of taxes actually paid by randomly selected domestic corporations with the amount they would have paid had they been taxed as foreign corporations. The results purport to prove that the tax discriminates against foreign corporations.

The *Reynolds* plaintiffs likewise based their contention that the tax discriminates against foreign corporations on data compiled from randomly selected corporations, which purported to show that foreign corporations on average paid more taxes than did their domestic counterparts. The evidence in neither case overcomes the fact that the taxes for any particular corporate taxpayer may be higher or lower depending on its corporate structure and operations when taxed as either a foreign or a domestic corporation.

The fact that one of the taxpayers in *Reynolds* paid significantly less taxes as a foreign than it would have as a domestic and that most of the Taxpayers in the present case would pay more taxes as domestic corporations than they in fact paid as foreign corporations proves this. The evidence produced in the present case is very similar to the evidence produced in *Reynolds*. It warrants the same result.

The Taxpayers emphasize that domestic corporations can reduce their franchise tax liability by manipulating the amount of their outstanding shares of stock, as if foreign corporations do not also minimize their tax liability by manipulating their tax bases. However, one of the Taxpayers' witnesses, Mr. Richard G. Bacon, testified that although some corporations have the ability to manipulate the tax that they would pay by limiting the number of shares that they issue, very large public corporations do not have the ability, and that there may be business reasons for not manipulating the tax base. (R. p. 125-162.) The Department offers that to the extent that business considerations allow them to do so, foreign corporations can reduce their tax liability by reducing the capital they employ in Alabama, just as domestic corporations can reduce their tax liability by reducing the value of their shares of stock.

Reynolds held that the Alabama franchise tax does not discriminate against foreign corporations as applied. However, even if this court finds that the Taxpayers have proved discrimination, they are not entitled to prevail in their attack on the constitutionality of Alabama's franchise tax.

A tax may discriminate against interstate commerce and still not violate the Commerce Clause. In order for such a discriminatory tax to be upheld the State must "show that it advances a legitimate local purpose that cannot be adequately served by reasonable, nondiscriminatory alternatives, *New Energy Company of Indiana v. Limbach*, 108 S.Ct. 1803, 1810 (1988); or show that the "discrimination is demonstrably justified by a valid factor unrelated to

economic protectionism, *Chemical Waste Management v. Hunt*, 112 S.Ct. 2009, 2015 (1992).

The Alabama Supreme Court applied substantially the above standards in *Reynolds* to uphold the constitutionality of the foreign corporation franchise tax. The Court stated at page 388:

> Even assuming that the lack of uniformity in the taxes on domestic and foreign corporations rose to a level of discrimination that would invoke equal protection or commerce clause analysis, we would hold that §40-14-41 does not violate those provisions, for the following reasons.

The Court went on at pages 388 and 389 to articulate several legitimate purposes for those statutory distinctions between foreign and domestic corporations, which include the mandate of the Alabama Constitution, ease of regulation and enforcement, differences in the utilization of State natural resources between foreign and domestic corporations, differences in the employment of State residents and the utilization of State services between foreign and domestic corporations, and an original purpose not to discriminate. Thus even if the present Taxpayers had proved that Alabama's franchise tax regime discriminates against foreign corporations, such discrimination would not violate the Commerce Clause.

The Taxpayers imply that the standard for determining whether a tax is "compensatory" has been substantially narrowed since *Reynolds Metals* was decided in 1989. They assert that the holding in that

case that Alabama's shares tax is compensatory and complementary to the franchise tax is no longer valid because it does not meet the three conditions necessary for a valid compensatory tax set forth in *Oregon Waste Systems v. Department of Environmental Quality*, 511 U.S. 93, 114 S.Ct. 1345, 128 L.Ed.2d 13 (1994):

1. Identify the tax burden for which the State is attempting to compensate.

2. The tax on interstate commerce must be shown roughly to approximate--but not to exceed--the amount of the tax on intrastate commerce.

3. The events on which the interstate and intrastate taxes are imposed must be "substantially equivalent".

The above standards do not constitute a significant departure from the standards in effect at the time that the Alabama Supreme Court in *Reynolds* decided that Alabama's shares tax is complementary to the franchise tax. As to the first condition, both in 1989 and now, the Department identified the tax burden for which the State is attempting to compensate as the franchise tax burden on foreign corporations.

As to the second condition, the taxpayers in *Reynolds* argued that a complementary tax is one that is "intended to effect equality," and that the shares tax fails to satisfy the Complementary Tax Doctrine because it does not create "equality of treatment

between local and interstate commerce," citing *Henneford v. Silas Mason Co.*, 300 U.S. 577 (1937). The Taxpayers in *Reynolds* also argued to this Court that "the common thread running through the cases upholding compensatory taxes is the equality of treatment between local and interstate commerce," citing *Maryland v. Louisiana*, 451 U.S. 725 (1981).

As to the third condition, the Taxpayers in *Reynolds* argued that for the Complementary Tax Doctrine to apply, the taxes must be imposed on "substantially equivalent events," citing *Armco, Inc. v. Hardesty*, 464 U.S. 638 (1984), and *Maryland v. Louisiana*, *supra*.

A review of the dates of the above-cited cases shows that there has been no substantial change in the Complementary Tax Doctrine since *Reynolds* was decided in 1989. Consequently, this Court has no more compelling reason to review this case than it did to review *Reynolds*, which it declined to do.

The Taxpayers argue that Alabama cannot satisfy the second and third criteria of the complementary tax doctrine. They argue with regard to the second criterion that there is no equivalence between the tax on interstate commerce and the tax on intrastate commerce. However, the State has already shown that there is no discrimination between the tax burdens borne by foreign and domestic corporations under Alabama's franchise tax. The amount of tax either might pay depends largely on its corporate structure and manner of operation.

The Taxpayers argue with regard to the third criterion that the domestic shares tax and the foreign franchise tax are not imposed on substantially equivalent events. However, the shares tax does complement the foreign franchise tax in the same way that the domestic franchise tax does. The shares tax constitutes a second, double tax on domestic corporations based on the same measure, i.e., the value of the shares of stock.

III. This Court should refrain from ruling on the remedy to be applied (should Alabama's tax be struck down) to allow the Alabama Supreme Court an opportunity to decide this issue in the first instance.

The Taxpayers' request that this Court order tax refunds in this case is simply premature. The Alabama Supreme Court has not had an opportunity to deal with this issue because the tax has not been invalidated. It would be inappropriate for this Court to rule on this issue before the highest court of the state has ruled on it.

The State of Alabama does not agree with the Taxpayers' implication that *Harper v. Virginia Department of Taxation*, 509 U.S. 86 (1993), completely destroyed the ability of courts to apply their holdings prospectively where appropriate. Furthermore, it would be appropriate under *Harper* for any court order invalidating Alabama's franchise tax to be applied prospectively.

CONCLUSION

In deciding this case, the Alabama Supreme Court adhered closely to the decisions of this Court. Therefore, there exists no sound reason to issue a writ of certiorari.

Respectfully submitted,

BILL PRYOR
Attorney General, State of Alabama

*RON BOWDEN, Counsel
Department of Revenue and Assistant
Attorney General, State of Alabama

DAN E. SCHMAELING, Assistant Counsel
Department of Revenue and Assistant
Attorney General, State of Alabama

P. O. Box 320001
Montgomery, AL 36132-0001
(334) 242-9690

*Counsel of Record for Respondents

July 14, 1998

APPENDIX

November 10, 1994

MEMORANDUM

To: Ron Bowden, Chief Counsel
Legal Division

From: Peter M. Petrillo, Jr.
Franchise Tax Division

RE: Modality for 'As If Domestic' Analysis

This memorandum is to recap the modality used to compute the "As If Domestic" analysis (see attachment) prepared for counsel in anticipation of the South Central Bell litigation. The goal of the analysis was to determine, for the foreign franchise tax years 1986 through 1992, the probable total Alabama domestic franchise tax and domestic shares tax which would have been paid had the subject legal entities been domestic corporations rather than foreign corporations.

FACTS

The legal entities and data from foreign franchise tax years analyzed were as follows:

1. BellSouth Telecommunications, Inc.
   1991 - 1992

2. BellSouth Corporation
   1986 - 1992
3. South Central Bell Telephone Company
   1986 - 1992
4. BellSouth Services, Inc.
   1986 - 1992
5. BellSouth Financial Services Corporation
   1986 - 1992
6. BellSouth Advertising & Publishing Corporation
   1986 - 1992
7. BellSouth Resources, Inc.
   1989 - 1992
8. BellSouth Products, Inc.
   1991 - 1992
9. Alabama Cellular Services, Inc.
   1986 - 1992
10. Sunlink Corporation
    1986 - 1992
11. TechSouth, Inc.
    1986 - 1992
12. CSX Transportation, Inc.
    1986 - 1992

The following financial data for each year was taken from each legal entity's Foreign Franchise Tax Return as filed.

I. The capital stock (par value) from liability side of Schedule A - Book Balance Sheet or balance sheet attached to the return in lieu of completing Schedule A.

II. The total value of all shares of stock (total equity) from liability side of Schedule A - Book Balance Sheet or balance sheet attached to the return in lieu of completing Schedule A.
III. The book value of real and tangible personal property (total capital assets) from asset side of Schedule A - Book Balance Sheet or balance sheet attached to the return in lieu of completing Schedule A.
IV. The book value of goods, wares and merchandise held for sale (inventories) from asset side of from Schedule A - Book Balance Sheet or balance sheet attached to the return in lieu of completing Schedule A.
V. The cost of capital stock owned in domestic corporations by the legal entity from Schedule E - Franchise Tax and Permit Fee Computation (see exclusion for foreign corporations paying a franchise tax).
VI. The book value of Alabama real and tangible property from Schedule B - Alabama Capital Asset Data.

ASSUMPTIONS

For each legal entity and all franchise tax years, the following assumptions were made:

A. Only the legal entities, BellSouth Telecommunications, Inc.; South Central Bell Telephone Company; and CSX Transportation,

Inc., were assumed to be public utilities not required by Sec. 40-21-29, Code of Alabama 1975, to list their shares of stock for taxation or to pay ad valorem taxes on said shares computed pursuant to Sec. 40-14-70, Code of Alabama 1975.

B. The Alabama shares tax computations are shown by the foreign franchise tax year's data used to compute the tax rather then by the year for which the amount would be paid. Please note that the Alabama shares tax for 1990 is based on an ending balance sheet which occurs prior to October 1, 1989 (e.g., for calendar year accounting periods, the balance sheet for the year ending December 31, 1988 is used).
C. The foreign franchise tax liability was assumed to be the amount as filed.
D. The domestic franchise tax rate was $10 for each $1,000 of capital stock.
E. The minimum domestic franchise tax was $50.
F. The home or principal office of each legal entity was assumed for each year to be in Birmingham, Jefferson County, Alabama, which was the principal place of business in Alabama listed on the foreign franchise tax returns.
G. The total domestic shares millage rate was determined to be 69.5 mills (6.95%).
    1. The state millage rate for Alabama was 6.5 mills (.65%).
    2. The county, assumed to be Jefferson County, millage rate was 35.6 mills (3.56%) reduced by

a special school tax in Birmingham of 1.1 mills (.11%).
    3. The city, assumed to be Birmingham, Alabama, millage rate was 28.5 mills (2.85%).
H. Shares of stock are considered to be Class II personal property and are assessed at 20%.
I. All legal entities paying an Alabama foreign franchise tax were assumed to be Alabama domestic corporations for purposes of the deduction for costs of domestic capital stock owned by the legal entity noted in Fact V, above.
J. The 'book value of real and tangible personal property in other states' was assumed to be the total 'book value of real and tangible personal property' (see Fact III, above) owned less the 'book value of Alabama real and tangible property' (see Fact VI, above).
K. The county assessment was assumed to be 20% of the 'book value of Alabama real and tangible personal property' (see Fact VI, above).
L. Some information is not disclosed on the foreign franchise tax return regarding possible deductions to the total value of all shares of stock, e.g., investment in U.S. government obligations; book value of air pollution equipment; and book value of motor vehicles otherwise assessed. These were assumed to be either zero or already included in other deductions made in the calculation.
M. See each attached financial detail schedules for specific assumptions made for each legal entity.

CALCULATIONS

Domestic Franchise Tax: The domestic franchise tax was calculated by multiplying the legal entity's capital stock by the domestic franchise tax rate ($10 per $1,000 of capital stock), but could not be less than the minimum tax of $50.

Domestic Shares Tax: The domestic shares tax for the legal entity was computed by multiplying the 'residue of total value of stock for assessment' by the 'total domestic shares tax millage rate' (69.5 mills).

1. The 'total value of all shares of stock' (see Fact II, above) was reduced by deductions for the 'book value of real and tangible personal property in other states' (see Assumption J, above), the 'book value of goods, wares and merchandise held for sale' (see Fact IV, above), and the 'cost of capital stock owned in domestic corporations' (see Fact V, above).
2. The 'total value of all shares of stock remaining for assessment', was multiplied by the 20% state assessment rate.
3. This state assessment amount was then reduced by the county assessments to produce the

'residue of total value of stock for assessment'.

Attachment

cc: Ernest J. Broadhead, Chief
Louis R. Mills, Assistant Chief

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	3,097,780
Shares Tax	5,307,201
Total Domestic Corporation Tax	8,404,981
Domestic Tax over (under) Foreign Tax	8,404,956
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	4,952,697
Domestic Corporation (As If)	
Franchise Tax	29,334,107
Shares Tax	0
Total Domestic Corporation Tax	29,334,107
Domestic Tax over (under) Foreign Tax	24,381,410

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	3,224,910
Shares Tax	19,255,869
Total Domestic Corporation Tax	22,480,779
Domestic Tax over (under) Foreign Tax	22,480,754
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	4,995,844
Domestic Corporation (As If)	
Franchise Tax	29,489,203
Shares Tax	0
Total Domestic Corporation Tax	29,489,203
Domestic Tax over (under) Foreign Tax	24,493,359

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	4,858,780
Shares Tax	105,638,936
Total Domestic Corporation Tax	110,497,716
Domestic Tax over (under) Foreign Tax	110,497,691
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	4,927,214
Domestic Corporation (As If)	
Franchise Tax	29,661,305
Shares Tax	0
Total Domestic Corporation Tax	29,661,305
Domestic Tax over (under) Foreign Tax	24,734,091

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	4,859,900
Shares Tax	101,254,602
Total Domestic Corporation Tax	106,114,502
Domestic Tax over (under) Foreign Tax	106,114,477
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	5,219,546
Domestic Corporation (As If)	
Franchise Tax	29,846,305
Shares Tax	0
Total Domestic Corporation Tax	29,846,305
Domestic Tax over (under) Foreign Tax	24,626,759

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	545
Domestic Corporation (As If)	
Franchise Tax	4,862,290
Shares Tax	116,976,429
Total Domestic Corporation Tax	121,838,719
Domestic Tax over (under) Foreign Tax	121,838,174
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	5,334,015
Domestic Corporation (As If)	
Franchise Tax	30,243,520
Shares Tax	0
Total Domestic Corporation Tax	30,243,520
Domestic Tax over (under) Foreign Tax	24,909,505

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	42,946,058
Shares Tax	0
Total Domestic Corporation Tax	42,946,058
Domestic Tax over (under) Foreign Tax	42,946,033
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	4,866,470
Shares Tax	110,064,056
Total Domestic Corporation Tax	114,930,526
Domestic Tax over (under) Foreign Tax	114,930,501
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	5,210,339
Domestic Corporation (As If)	
Franchise Tax	30,243,523
Shares Tax	0
Total Domestic Corporation Tax	30,243,523
Domestic Tax over (under) Foreign Tax	25,033,184

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	6,371,607
Domestic Corporation (As If)	
Franchise Tax	73,189,591
Shares Tax	0
Total Domestic Corporation Tax	73,189,591
Domestic Tax over (under) Foreign Tax	66,817,984
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	5,311
Domestic Corporation (As If)	
Franchise Tax	4,982,870
Shares Tax	24,314,649
Total Domestic Corporation Tax	29,197,519
Domestic Tax over (under) Foreign Tax	29,192,208
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	Total
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	6,371,632
Domestic Corporation (As If)	
Franchise Tax	116,135,649
Shares Tax	0
Total Domestic Corporation Tax	116,135,649
Domestic Tax over (under) Foreign Tax	109,764,017
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	5,981
Domestic Corporation (As If)	
Franchise Tax	30,653,000
Shares Tax	482,811,742
Total Domestic Corporation Tax	513,464,742
Domestic Tax over (under) Foreign Tax	513,458,761
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	30,639,680
Domestic Corporation (As If)	
Franchise Tax	178,818,013
Shares Tax	0
Total Domestic Corporation Tax	178,818,013
Domestic Tax over (under) Foreign Tax	148,178,333

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	30,950
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	340,524
Total Domestic Corporation Tax	340,574
Domestic Tax over (under) Foreign Tax	309,624
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	60,038
Domestic Corporation (As If)	
Franchise Tax	1,825,840
Shares Tax	2,400,780
Total Domestic Corporation Tax	4,226,620
Domestic Tax over (under) Foreign Tax	4,166,582

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	108,774
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-108,724
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	59,922
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	2,386,777
Total Domestic Corporation Tax	2,386,827
Domestic Tax over (under) Foreign Tax	2,326,905

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	139,893
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-139,843
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	55,586
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	2,395,401
Total Domestic Corporation Tax	2,395,451
Domestic Tax over (under) Foreign Tax	2,339,865

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	135,610
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-135,560
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	130,334
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-130,284
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	56,659
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	2,775,518
Total Domestic Corporation Tax	2,775,568
Domestic Tax over (under) Foreign Tax	2,718,909

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	205,525
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-205,475
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	16,908
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	39,657
Total Domestic Corporation Tax	39,707
Domestic Tax over (under) Foreign Tax	22,799
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	71,861
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	3,542,548
Total Domestic Corporation Tax	3,542,598
Domestic Tax over (under) Foreign Tax	3,470,737

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	206,333
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-206,283
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	28,539
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	139,737
Total Domestic Corporation Tax	139,787
Domestic Tax over (under) Foreign Tax	111,248
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	75,421
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	4,143,354
Total Domestic Corporation Tax	4,143,404
Domestic Tax over (under) Foreign Tax	4,067,983

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	17,172
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	155,221
Total Domestic Corporation Tax	155,271
Domestic Tax over (under) Foreign Tax	138,099
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	65,829
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	4,557,719
Total Domestic Corporation Tax	4,557,769
Domestic Tax over (under) Foreign Tax	4,491,940

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	Total
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	827,110
Domestic Corporation (As If)	
Franchise Tax	350
Shares Tax	340,524
Total Domestic Corporation Tax	340,874
Domestic Tax over (under) Foreign Tax	-486,236
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	193,028
Domestic Corporation (As If)	
Franchise Tax	350
Shares Tax	334,615
Total Domestic Corporation Tax	334,965
Domestic Tax over (under) Foreign Tax	141,937
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	445,316
Domestic Corporation (As If)	
Franchise Tax	1,826,140
Shares Tax	22,202,097
Total Domestic Corporation Tax	24,028,237
Domestic Tax over (under) Foreign Tax	23,582,921

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	15,205
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-15,155

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	13,819
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	1,597
Total Domestic Corporation Tax	1,647
Domestic Tax over (under) Foreign Tax	-12,172

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	43,602
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	25,552
Total Domestic Corporation Tax	25,602
Domestic Tax over (under) Foreign Tax	-18,000

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	7
Total Domestic Corporation Tax	57
Domestic Tax over (under) Foreign Tax	32
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	40,402
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	41,095
Total Domestic Corporation Tax	41,145
Domestic Tax over (under) Foreign Tax	743

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,576
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	56,504
Total Domestic Corporation Tax	56,554
Domestic Tax over (under) Foreign Tax	51,978
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Franchise Tax	
Shares Tax	
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	45,069
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	34,888
Total Domestic Corporation Tax	34,938
Domestic Tax over (under) Foreign Tax	-10,131

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	2,720
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	30,177
Total Domestic Corporation Tax	30,227
Domestic Tax over (under) Foreign Tax	27,507
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	3,147
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-3,097
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	64,880
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	105,710
Total Domestic Corporation Tax	105,760
Domestic Tax over (under) Foreign Tax	40,880

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	287
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-237
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	81,291
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	55,836
Total Domestic Corporation Tax	55,886
Domestic Tax over (under) Foreign Tax	-25,405

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	Total
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	7,608
Domestic Corporation (As If)	
Franchise Tax	200
Shares Tax	86,688
Total Domestic Corporation Tax	86,888
Domestic Tax over (under) Foreign Tax	79,280
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	3,172
Domestic Corporation (As If)	
Franchise Tax	100
Shares Tax	0
Total Domestic Corporation Tax	100
Domestic Tax over (under) Foreign Tax	-3,072
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	304,268
Domestic Corporation (As If)	
Franchise Tax	350
Shares Tax	264,678
Total Domestic Corporation Tax	265,028
Domestic Tax over (under) Foreign Tax	-39,240

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	10,939
Domestic Corporation (As If)	
Franchise Tax	113,670
Shares Tax	12,176
Total Domestic Corporation Tax	125,846
Domestic Tax over (under) Foreign Tax	114,907
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,242
Domestic Corporation (As If)	
Franchise Tax	1,025
Shares Tax	22,367
Total Domestic Corporation Tax	23,392
Domestic Tax over (under) Foreign Tax	19,150
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	555,951
Domestic Corporation (As If)	
Franchise Tax	2,292,208
Shares Tax	0
Total Domestic Corporation Tax	2,292,208
Domestic Tax over (under) Foreign Tax	1,736,257
Total Domestic Tax over (under) Foreign Tax	39,117,756

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	6,776
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	33,541
Total Domestic Corporation Tax	33,591
Domestic Tax over (under) Foreign Tax	26,815
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,756
Domestic Corporation (As If)	
Franchise Tax	1,015
Shares Tax	15,689
Total Domestic Corporation Tax	16,704
Domestic Tax over (under) Foreign Tax	11,948
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	557,066
Domestic Corporation (As If)	
Franchise Tax	2,172,208
Shares Tax	0
Total Domestic Corporation Tax	2,172,208
Domestic Tax over (under) Foreign Tax	1,615,142
Total Domestic Tax over (under) Foreign Tax	50,834,052

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	5,840
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-5,790
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,835
Domestic Corporation (As If)	
Franchise Tax	1,015
Shares Tax	0
Total Domestic Corporation Tax	1,015
Domestic Tax over (under) Foreign Tax	-3,820
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	570,472
Domestic Corporation (As If)	
Franchise Tax	2,452,208
Shares Tax	0
Total Domestic Corporation Tax	2,452,208
Domestic Tax over (under) Foreign Tax	1,881,736
Total Domestic Tax over (under) Foreign Tax	139,285,955

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	7,769
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-7,719
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	2,753
Domestic Corporation (As If)	
Franchise Tax	1,015
Shares Tax	3,597
Total Domestic Corporation Tax	4,612
Domestic Tax over (under) Foreign Tax	1,859
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	574,252
Domestic Corporation (As If)	
Franchise Tax	1,845,540
Shares Tax	0
Total Domestic Corporation Tax	1,845,540
Domestic Tax over (under) Foreign Tax	1,271,288
Total Domestic Tax over (under) Foreign Tax	134,460,504

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	37,952
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	9,480
Total Domestic Corporation Tax	9,530
Domestic Tax over (under) Foreign Tax	-28,422
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	3,610
Domestic Corporation (As If)	
Franchise Tax	980
Shares Tax	0
Total Domestic Corporation Tax	980
Domestic Tax over (under) Foreign Tax	-2,630
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	573,792
Domestic Corporation (As If)	
Franchise Tax	1,812,208
Shares Tax	0
Total Domestic Corporation Tax	1,812,208
Domestic Tax over (under) Foreign Tax	1,238,416
Total Domestic Tax over (under) Foreign Tax	151,284,951

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	24,108
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-24,058
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	2,753
Domestic Corporation (As If)	
Franchise Tax	980
Shares Tax	0
Total Domestic Corporation Tax	980
Domestic Tax over (under) Foreign Tax	-1,773
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	571,327
Domestic Corporation (As If)	
Franchise Tax	1,812,208
Shares Tax	0
Total Domestic Corporation Tax	1,812,208
Domestic Tax over (under) Foreign Tax	1,240,881
Total Domestic Tax over (under) Foreign Tax	188,163,006

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	15,199
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-15,149
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Franchise Tax	50
Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	567,946
Domestic Corporation (As If)	
Franchise Tax	1,812,208
Shares Tax	0
Total Domestic Corporation Tax	1,812,208
Domestic Tax over (under) Foreign Tax	1,244,262
Total Domestic Tax over (under) Foreign Tax	101,843,802

Summary of Tax Differences in the "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	Total
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	108,583
Domestic Corporation (As If)	
Franchise Tax	113,970
Shares Tax	55,197
Total Domestic Corporation Tax	169,167
Domestic Tax over (under) Foreign Tax	60,584
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	22,974
Domestic Corporation (As If)	
Franchise Tax	6,080
Shares Tax	41,653
Total Domestic Corporation Tax	47,733
Domestic Tax over (under) Foreign Tax	24,759
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	3,970,806
Domestic Corporation (As If)	
Franchise Tax	14,198,788
Shares Tax	0
Total Domestic Corporation Tax	14,198,788
Domestic Tax over (under) Foreign Tax	10,227,982
Total Domestic Tax over (under) Foreign Tax	804,990,026

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	4,294,605,803
Domestic Franchise Tax	42,946,058
Domestic Shares Tax:	
Total value of all shares of stock	6,604,398,291
Deductions:	
Book value of real & tangible personal property	20,216,506,645
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	20,216,506,645
Book value of merchandise held for sale	152,915,582
Cost of domestic capital stock owned	89,710,333
Total deductions	20,459,132,560
Total value of all shares of stock remaining for assessment	-13,854,734,269
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	42,946,058
Domestic Tax over (under) Foreign Tax	42,946,033

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Telecommunications, Inc. (Q: 11-12-91)	
Foreign Corporation: Franchise Tax (As Paid)	6,371,607
Domestic Corporation (As If)	
Capital Stock	7,318,959,147
Domestic Franchise Tax	73,189,591
Domestic Shares Tax:	
Total value of all shares of stock	11,653,592,076
Deductions:	
Book value of real & tangible personal property	37,213,279,384
Book value of Alabama real & tangible personal property	-3,760,348,233
Book value of real & tangible personal property in other states	33,452,931,151
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	33,452,931,151
Total value of all shares of stock remaining for assessment	-21,799,339,075
State assessment (not less than zero)	0
County assessments	-752,069,647
Residue of total value of stock for assessment (not < 0)	-752,069,647
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	73,189,591
Domestic Tax over (under) Foreign Tax	66,817,984

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	309,778,000
Domestic Franchise Tax	3,097,780
Domestic Shares Tax:	
Total value of all shares of stock	10,198,051,000
Deductions:	
Book value of real & tangible personal property	6,650,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	6,650,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	9,809,588,000
Total deductions	9,816,238,000
Total value of all shares of stock remaining for assessment	381,813,000
State assessment (not less than zero)	76,362,600
County assessments	0
Residue of total value of stock for assessment (not < 0)	76,362,600
N/A *Domestic Shares Tax*	5,307,201
Total Domestic Corporation Tax	8,404,981
Domestic Tax over (under) Foreign Tax	8,404,956

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	322,491,000
Domestic Franchise Tax	3,224,910
Domestic Shares Tax:	
Total value of all shares of stock	11,264,638,000
Deductions:	
Book value of real & tangible personal property	10,250,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	10,250,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	9,869,073,672
Total deductions	9,879,323,672
Total value of all shares of stock remaining for assessment	1,385,314,328
State assessment (not less than zero)	277,062,866
County assessments	0
Residue of total value of stock for assessment (not < 0)	277,062,866
N/A *Domestic Shares Tax*	19,255,869
Total Domestic Corporation Tax	22,480,779
Domestic Tax over (under) Foreign Tax	22,480,754

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	485,878,000
Domestic Franchise Tax	4,858,780
Domestic Shares Tax:	
Total value of all shares of stock	11,978,413,000
Deductions:	
Book value of real & tangible personal property	9,733,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	9,733,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	4,368,756,571
Total deductions	4,378,489,571
Total value of all shares of stock remaining for assessment	7,599,923,429
State assessment (not less than zero)	1,519,984,686
County assessments	0
Residue of total value of stock for assessment (not < 0)	1,519,984,686
N/A *Domestic Shares Tax*	105,638,936
Total Domestic Corporation Tax	110,497,716
Domestic Tax over (under) Foreign Tax	110,497,691

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	485,990,000
Domestic Franchise Tax	4,859,900
Domestic Shares Tax:	
Total value of all shares of stock	11,840,689,000
Deductions:	
Book value of real & tangible personal property	22,458,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	22,458,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	4,533,727,252
Total deductions	4,556,185,252
Total value of all shares of stock remaining for assessment	7,284,503,748
State assessment (not less than zero)	1,456,900,750
County assessments	0
Residue of total value of stock for assessment (not < 0)	1,456,900,750
N/A *Domestic Shares Tax*	101,254,602
Total Domestic Corporation Tax	106,114,502
Domestic Tax over (under) Foreign Tax	106,114,477

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	545
Domestic Corporation (As If)	
Capital Stock	486,229,000
Domestic Franchise Tax	4,862,290
Domestic Shares Tax:	
Total value of all shares of stock	13,103,506,000
Deductions:	
Book value of real & tangible personal property	18,058,000
Book value of Alabama real & tangible personal property	-23,804
Book value of real & tangible personal property in other states	18,034,196
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	4,669,877,587
Total deductions	4,687,911,783
Total value of all shares of stock remaining for assessment	8,415,594,217
State assessment (not less than zero)	1,683,118,843
County assessments	-4,761
Residue of total value of stock for assessment (not < 0)	1,683,114,082
N/A *Domestic Shares Tax*	116,976,429
Total Domestic Corporation Tax	121,838,719
Domestic Tax over (under) Foreign Tax	121,838,174

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	486,647,037
Domestic Franchise Tax	4,866,470
Domestic Shares Tax:	
Total value of all shares of stock	12,671,762,633
Deductions:	
Book value of real & tangible personal property	17,194,131
Book value of Alabama real & tangible personal property	-20,339
Book value of real & tangible personal property in other states	17,173,792
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	4,736,291,092
Total deductions	4,753,464,884
Total value of all shares of stock remaining for assessment	7,918,297,749
State assessment (not less than zero)	1,583,659,550
County assessments	-4,068
Residue of total value of stock for assessment (not < 0)	1,583,655,482
N/A *Domestic Shares Tax*	110,064,056
Total Domestic Corporation Tax	114,930,526
Domestic Tax over (under) Foreign Tax	114,930,501

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Corporation	
Foreign Corporation: Franchise Tax (As Paid)	5,311
Domestic Corporation (As If)	
Capital Stock	488,286,956
Domestic Franchise Tax	4,882,870
Domestic Shares Tax:	
Total value of all shares of stock	13,115,856,792
Deductions:	
Book value of real & tangible personal property	15,707,665
Book value of Alabama real & tangible personal property	-31,606
Book value of real & tangible personal property in other states	15,676,059
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	11,350,893,834
Total deductions	11,366,569,893
Total value of all shares of stock remaining for assessment	1,749,286,899
State assessment (not less than zero)	349,857,380
County assessments	-6,321
Residue of total value of stock for assessment (not < 0)	349,851,059
N/A *Domestic Shares Tax*	24,314,649
Total Domestic Corporation Tax	29,197,519
Domestic Tax over (under) Foreign Tax	29,192,208

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	4,952,697
Domestic Corporation (As If)	
Capital Stock	2,933,410,688
Domestic Franchise Tax	29,334,107
Domestic Shares Tax:	
Total value of all shares of stock	4,657,099,274
Deductions:	
Book value of real & tangible personal property	11,896,494,229
Book value of Alabama real & tangible personal property	-2,572,569,291
Book value of real & tangible personal property in other states	9,323,924,938
Book value of merchandise held for sale	104,949,072
Cost of domestic capital stock owned	26,798,466
Total deductions	9,455,672,476
Total value of all shares of stock remaining for assessment	-4,798,573,202
State assessment (not less than zero)	0
County assessments	-514,513,858
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	29,334,107
Domestic Tax over (under) Foreign Tax	24,381,410

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	4,995,844
Domestic Corporation (As If)	
Capital Stock	2,948,920,303
Domestic Franchise Tax	29,489,203
Domestic Shares Tax:	
Total value of all shares of stock	4,666,716,143
Deductions:	
Book value of real & tangible personal property	12,661,318,891
Book value of Alabama real & tangible personal property	-2,765,244,707
Book value of real & tangible personal property in other states	9,896,074,184
Book value of merchandise held for sale	103,779,963
Cost of domestic capital stock owned	42,840,118
Total deductions	10,042,694,265
Total value of all shares of stock remaining for assessment	-5,375,978,122
State assessment (not less than zero)	0
County assessments	-553,048,941
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	29,489,203
Domestic Tax over (under) Foreign Tax	24,493,359

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	4,927,214
Domestic Corporation (As If)	
Capital Stock	2,966,130,486
Domestic Franchise Tax	29,661,305
Domestic Shares Tax:	
Total value of all shares of stock	4,650,522,281
Deductions:	
Book value of real & tangible personal property	13,314,381,056
Book value of Alabama real & tangible personal property	-2,947,644,193
Book value of real & tangible personal property in other states	10,366,736,863
Book value of merchandise held for sale	54,476,399
Cost of domestic capital stock owned	80,263,546
Total deductions	10,501,476,808
Total value of all shares of stock remaining for assessment	-5,850,954,527
State assessment (not less than zero)	0
County assessments	-589,528,839
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	29,661,305
Domestic Tax over (under) Foreign Tax	24,734,091

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	5,219,546
Domestic Corporation (As If)	
Capital Stock	2,984,630,486
Domestic Franchise Tax	29,846,305
Domestic Shares Tax:	
Total value of all shares of stock	4,989,517,462
Deductions:	
Book value of real & tangible personal property	14,040,125,535
Book value of Alabama real & tangible personal property	-3,149,410,759
Book value of real & tangible personal property in other states	10,890,714,776
Book value of merchandise held for sale	58,557,238
Cost of domestic capital stock owned	118,059,135
Total deductions	11,067,331,149
Total value of all shares of stock remaining for assessment	-6,077,813,687
State assessment (not less than zero)	0
County assessments	-629,882,152
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	29,846,305
Domestic Tax over (under) Foreign Tax	24,626,759

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	5,334,015
Domestic Corporation (As If)	
Capital Stock	3,024,352,000
Domestic Franchise Tax	30,243,520
Domestic Shares Tax:	
Total value of all shares of stock	6,349,956,000
Deductions:	
Book value of real & tangible personal property	9,345,291,000
Book value of Alabama real & tangible personal property	-2,132,931,837
Book value of real & tangible personal property in other states	7,212,359,163
Book value of merchandise held for sale	83,962,678
Cost of domestic capital stock owned	122,495,930
Total deductions	7,418,817,771
Total value of all shares of stock remaining for assessment	-1,068,861,771
State assessment (not less than zero)	0
County assessments	-426,586,367
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	30,243,520
Domestic Tax over (under) Foreign Tax	24,909,505

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	5,210,339
Domestic Corporation (As If)	
Capital Stock	3,024,352,334
Domestic Franchise Tax	30,243,523
Domestic Shares Tax:	
Total value of all shares of stock	4,808,691,276
Deductions:	
Book value of real & tangible personal property	9,379,448,000
Book value of Alabama real & tangible personal property	-2,158,146,454
Book value of real & tangible personal property in other states	7,221,301,546
Book value of merchandise held for sale	80,193,000
Cost of domestic capital stock owned	89,709,883
Total deductions	7,391,204,429
Total value of all shares of stock remaining for assessment	-2,582,513,153
State assessment (not less than zero)	0
County assessments	-431,629,291
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	30,243,523
Domestic Tax over (under) Foreign Tax	25,033,184

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
South Central Bell Telephone Company (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	0
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	0
Deductions:	
Book value of real & tangible personal property	0
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	30,950
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	29,938,327
Deductions:	
Book value of real & tangible personal property	5,440,206
Book value of Alabama real & tangible personal property	-41,279
Book value of real & tangible personal property in other states	5,398,927
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	5,398,927
Total value of all shares of stock remaining for assessment	24,539,400
State assessment (not less than zero)	4,907,880
County assessments	-8,256
Residue of total value of stock for assessment (not < 0)	4,899,624
N/A *Domestic Shares Tax*	340,524
Total Domestic Corporation Tax	340,574
Domestic Tax over (under) Foreign Tax	309,624

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	108,774
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	41,302,500
Deductions:	
Book value of real & tangible personal property	91,086,000
Book value of Alabama real & tangible personal property	-11,076,534
Book value of real & tangible personal property in other states	80,009,466
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	80,009,466
Total value of all shares of stock remaining for assessment	-38,706,966
State assessment (not less than zero)	0
County assessments	-2,215,307
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-108,724

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	139,893
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	93,070,387
Deductions:	
Book value of real & tangible personal property	98,435,000
Book value of Alabama real & tangible personal property	-18,632,301
Book value of real & tangible personal property in other states	79,802,699
Book value of merchandise held for sale	101,448,000
Cost of domestic capital stock owned	0
Total deductions	181,250,699
Total value of all shares of stock remaining for assessment	-88,180,312
State assessment (not less than zero)	0
County assessments	-3,726,460
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-139,843

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	135,610
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	93,845,376
Deductions:	
Book value of real & tangible personal property	112,985,469
Book value of Alabama real & tangible personal property	-27,859,885
Book value of real & tangible personal property in other states	85,125,584
Book value of merchandise held for sale	116,440,379
Cost of domestic capital stock owned	0
Total deductions	201,565,963
Total value of all shares of stock remaining for assessment	-107,720,587
State assessment (not less than zero)	0
County assessments	-5,571,977
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-135,560

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	205,525
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	199,464,259
Deductions:	
Book value of real & tangible personal property	120,346,979
Book value of Alabama real & tangible personal property	-19,490,253
Book value of real & tangible personal property in other states	100,856,726
Book value of merchandise held for sale	128,430,648
Cost of domestic capital stock owned	3,519,888
Total deductions	232,807,262
Total value of all shares of stock remaining for assessment	-33,343,003
State assessment (not less than zero)	0
County assessments	-3,898,051
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-205,475

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	206,333
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	179,420,666
Deductions:	
Book value of real & tangible personal property	116,095,920
Book value of Alabama real & tangible personal property	-27,283,729
Book value of real & tangible personal property in other states	88,812,191
Book value of merchandise held for sale	89,704,570
Cost of domestic capital stock owned	11,762,377
Total deductions	190,279,138
Total value of all shares of stock remaining for assessment	-10,858,472
State assessment (not less than zero)	0
County assessments	-5,456,746
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-206,283

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Services, Inc. (M: 12-31-91)	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	0
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	0
Deductions:	
Book value of real & tangible personal property	0
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	1,000
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	-299,000
Deductions:	
Book value of real & tangible personal property	2,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	2,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	2,000
Total value of all shares of stock remaining for assessment	-301,000
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	1,000
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	-813,000
Deductions:	
Book value of real & tangible personal property	160,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	160,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	160,000
Total value of all shares of stock remaining for assessment	-973,000
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	1,000
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	-139,000
Deductions:	
Book value of real & tangible personal property	688,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	688,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	688,000
Total value of all shares of stock remaining for assessment	-827,000
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	130,334
Domestic Corporation (As If)	
Capital Stock	1,000
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	4,803,000
Deductions:	
Book value of real & tangible personal property	4,947,000
Book value of Alabama real & tangible personal property	-664,382
Book value of real & tangible personal property in other states	4,282,618
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	4,282,618
Total value of all shares of stock remaining for assessment	520,382
State assessment (not less than zero)	104,076
County assessments	-132,876
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-130,284

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	16,908
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	7,904,000
Deductions:	
Book value of real & tangible personal property	5,051,000
Book value of Alabama real & tangible personal property	-676,329
Book value of real & tangible personal property in other states	4,374,671
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	4,374,671
Total value of all shares of stock remaining for assessment	3,529,329
State assessment (not less than zero)	705,866
County assessments	-135,266
Residue of total value of stock for assessment (not < 0)	570,600
N/A *Domestic Shares Tax*	39,657
Total Domestic Corporation Tax	39,707
Domestic Tax over (under) Foreign Tax	22,799

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	28,539
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	10,489,000
Deductions:	
Book value of real & tangible personal property	436,000
Book value of Alabama real & tangible personal property	-60,386
Book value of real & tangible personal property in other states	375,614
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	375,614
Total value of all shares of stock remaining for assessment	10,113,386
State assessment (not less than zero)	2,022,677
County assessments	-12,077
Residue of total value of stock for assessment (not < 0)	2,010,600
N/A *Domestic Shares Tax*	139,737
Total Domestic Corporation Tax	139,787
Domestic Tax over (under) Foreign Tax	111,248

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Financial Services Corporation	
Foreign Corporation: Franchise Tax (As Paid)	17,172
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	11,492,000
Deductions:	
Book value of real & tangible personal property	325,000
Book value of Alabama real & tangible personal property	-41,919
Book value of real & tangible personal property in other states	283,081
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	283,081
Total value of all shares of stock remaining for assessment	11,208,919
State assessment (not less than zero)	2,241,784
County assessments	-8,384
Residue of total value of stock for assessment (not < 0)	2,233,400
N/A *Domestic Shares Tax*	155,221
Total Domestic Corporation Tax	155,271
Domestic Tax over (under) Foreign Tax	138,099

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	60,038
Domestic Corporation (As If)	
Capital Stock	182,584,000
Domestic Franchise Tax	1,825,840
Domestic Shares Tax:	
Total value of all shares of stock	182,907,000
Deductions:	
Book value of real & tangible personal property	10,189,000
Book value of Alabama real & tangible personal property	-1,227,114
Book value of real & tangible personal property in other states	8,961,886
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	8,961,886
Total value of all shares of stock remaining for assessment	173,945,114
State assessment (not less than zero)	34,789,023
County assessments	-245,423
Residue of total value of stock for assessment (not < 0)	34,543,600
N/A *Domestic Shares Tax*	2,400,780
Total Domestic Corporation Tax	4,226,620
Domestic Tax over (under) Foreign Tax	4,166,582

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	59,922
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	181,263,587
Deductions:	
Book value of real & tangible personal property	9,553,000
Book value of Alabama real & tangible personal property	-786,038
Book value of real & tangible personal property in other states	8,766,962
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	8,766,962
Total value of all shares of stock remaining for assessment	172,496,625
State assessment (not less than zero)	34,499,325
County assessments	-157,208
Residue of total value of stock for assessment (not < 0)	34,342,117
N/A *Domestic Shares Tax*	2,386,777
Total Domestic Corporation Tax	2,386,827
Domestic Tax over (under) Foreign Tax	2,326,905

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	55,586
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	181,265,000
Deductions:	
Book value of real & tangible personal property	8,934,000
Book value of Alabama real & tangible personal property	-1,084,247
Book value of real & tangible personal property in other states	7,849,753
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	7,849,753
Total value of all shares of stock remaining for assessment	173,415,247
State assessment (not less than zero)	34,683,049
County assessments	-216,849
Residue of total value of stock for assessment (not < 0)	34,466,200
N/A *Domestic Shares Tax*	2,395,401
Total Domestic Corporation Tax	2,395,451
Domestic Tax over (under) Foreign Tax	2,339,865

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	56,659
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	211,263,587
Deductions:	
Book value of real & tangible personal property	11,586,000
Book value of Alabama real & tangible personal property	-606,940
Book value of real & tangible personal property in other states	10,979,060
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	10,979,060
Total value of all shares of stock remaining for assessment	200,284,527
State assessment (not less than zero)	40,056,905
County assessments	-121,388
Residue of total value of stock for assessment (not < 0)	39,935,517
N/A *Domestic Shares Tax*	2,775,518
Total Domestic Corporation Tax	2,775,568
Domestic Tax over (under) Foreign Tax	2,718,909

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	71,861
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	266,568,534
Deductions:	
Book value of real & tangible personal property	11,709,000
Book value of Alabama real & tangible personal property	-445,794
Book value of real & tangible personal property in other states	11,263,206
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	11,263,206
Total value of all shares of stock remaining for assessment	255,305,328
State assessment (not less than zero)	51,061,066
County assessments	-89,159
Residue of total value of stock for assessment (not < 0)	50,971,907
N/A Domestic Shares Tax	3,542,548
Total Domestic Corporation Tax	3,542,598
Domestic Tax over (under) Foreign Tax	3,470,737

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	75,421
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	313,851,000
Deductions:	
Book value of real & tangible personal property	15,768,000
Book value of Alabama real & tangible personal property	-1,432,586
Book value of real & tangible personal property in other states	14,335,414
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	14,335,414
Total value of all shares of stock remaining for assessment	299,515,586
State assessment (not less than zero)	59,903,117
County assessments	-286,517
Residue of total value of stock for assessment (not < 0)	59,616,600
N/A Domestic Shares Tax	4,143,354
Total Domestic Corporation Tax	4,143,404
Domestic Tax over (under) Foreign Tax	4,067,983

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Advertising & Publishing Corporation	
Foreign Corporation: Franchise Tax (As Paid)	65,829
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	342,978,437
Deductions:	
Book value of real & tangible personal property	15,085,000
Book value of Alabama real & tangible personal property	-773,064
Book value of real & tangible personal property in other states	14,311,936
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	14,311,936
Total value of all shares of stock remaining for assessment	328,666,501
State assessment (not less than zero)	65,733,300
County assessments	-154,613
Residue of total value of stock for assessment (not < 0)	65,578,687
N/A *Domestic Shares Tax*	4,557,719
Total Domestic Corporation Tax	4,557,769
Domestic Tax over (under) Foreign Tax	4,491,940

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	500
Deductions:	
Book value of real & tangible personal property	0
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	500
State assessment (not less than zero)	100
County assessments	0
Residue of total value of stock for assessment (not < 0)	100
N/A *Domestic Shares Tax*	7
Total Domestic Corporation Tax	57
Domestic Tax over (under) Foreign Tax	32

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,576
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	4,434,000
Deductions:	
Book value of real & tangible personal property	369,000
Book value of Alabama real & tangible personal property	-193,408
Book value of real & tangible personal property in other states	175,592
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	175,592
Total value of all shares of stock remaining for assessment	4,258,408
State assessment (not less than zero)	851,682
County assessments	-38,682
Residue of total value of stock for assessment (not < 0)	813,000
N/A *Domestic Shares Tax*	56,504
Total Domestic Corporation Tax	56,554
Domestic Tax over (under) Foreign Tax	51,978

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	2,720
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	2,618,000
Deductions:	
Book value of real & tangible personal property	447,000
Book value of Alabama real & tangible personal property	-199,872
Book value of real & tangible personal property in other states	247,128
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	247,128
Total value of all shares of stock remaining for assessment	2,370,872
State assessment (not less than zero)	474,174
County assessments	-39,974
Residue of total value of stock for assessment (not < 0)	434,200
N/A *Domestic Shares Tax*	30,177
Total Domestic Corporation Tax	30,227
Domestic Tax over (under) Foreign Tax	27,507

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Resources, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	287
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	-15,000
Deductions:	
Book value of real & tangible personal property	7,000
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	7,000
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	7,000
Total value of all shares of stock remaining for assessment	-22,000
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-237

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	
Domestic Corporation (As If)	
Capital Stock	
Domestic Franchise Tax	0
Domestic Shares Tax:	
Total value of all shares of stock	
Deductions:	
Book value of real & tangible personal property	
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	
Cost of domestic capital stock owned	
Total deductions	0
Total value of all shares of stock remaining for assessment	0
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	0
Domestic Tax over (under) Foreign Tax	0

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	3,147
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	-11,762,377
Deductions:	
Book value of real & tangible personal property	0
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	-11,762,377
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-3,097

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
BellSouth Products, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	-806,987
Deductions:	
Book value of real & tangible personal property	0
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	2,523,042
Cost of domestic capital stock owned	0
Total deductions	2,523,042
Total value of all shares of stock remaining for assessment	-3,330,029
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	15,205
Domestic Corporation (As If)	
Capital Stock	1
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	4,201,816
Deductions:	
Book value of real & tangible personal property	4,486,696
Book value of Alabama real & tangible personal property	-4,486,696
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	4,201,816
State assessment (not less than zero)	840,363
County assessments	-897,339
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-15,155

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	13,819
Domestic Corporation (As If)	
Capital Stock	1
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	4,552,064
Deductions:	
Book value of real & tangible personal property	4,437,203
Book value of Alabama real & tangible personal property	-4,437,203
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	4,552,064
State assessment (not less than zero)	910,413
County assessments	-887,441
Residue of total value of stock for assessment (not < 0)	22,972
N/A Domestic Shares Tax	1,597
Total Domestic Corporation Tax	1,647
Domestic Tax over (under) Foreign Tax	-12,172

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	43,602
Domestic Corporation (As If)	
Capital Stock	1
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	10,894,149
Deductions:	
Book value of real & tangible personal property	9,055,894
Book value of Alabama real & tangible personal property	-9,055,894
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	10,894,149
State assessment (not less than zero)	2,178,830
County assessments	-1,811,179
Residue of total value of stock for assessment (not < 0)	367,651
N/A Domestic Shares Tax	25,552
Total Domestic Corporation Tax	25,602
Domestic Tax over (under) Foreign Tax	-18,000

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	40,402
Domestic Corporation (As If)	
Capital Stock	0
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	13,389,444
Deductions:	
Book value of real & tangible personal property	10,432,979
Book value of Alabama real & tangible personal property	-10,432,979
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	13,389,444
State assessment (not less than zero)	2,677,889
County assessments	-2,086,596
Residue of total value of stock for assessment (not < 0)	591,293
N/A *Domestic Shares Tax*	41,095
Total Domestic Corporation Tax	41,145
Domestic Tax over (under) Foreign Tax	743

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	45,069
Domestic Corporation (As If)	
Capital Stock	0
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	15,014,123
Deductions:	
Book value of real & tangible personal property	12,504,179
Book value of Alabama real & tangible personal property	-12,504,179
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	15,014,123
State assessment (not less than zero)	3,002,825
County assessments	-2,500,836
Residue of total value of stock for assessment (not < 0)	501,989
N/A *Domestic Shares Tax*	34,888
Total Domestic Corporation Tax	34,938
Domestic Tax over (under) Foreign Tax	-10,131

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	64,880
Domestic Corporation (As If)	
Capital Stock	0
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	21,578,000
Deductions:	
Book value of real & tangible personal property	13,973,000
Book value of Alabama real & tangible personal property	-13,973,000
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	21,578,000
State assessment (not less than zero)	4,315,600
County assessments	-2,794,600
Residue of total value of stock for assessment (not < 0)	1,521,000
N/A Domestic Shares Tax	105,710
Total Domestic Corporation Tax	105,760
Domestic Tax over (under) Foreign Tax	40,880

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
Alabama Cellular Services, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	81,291
Domestic Corporation (As If)	
Capital Stock	0
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	27,097,000
Deductions:	
Book value of real & tangible personal property	23,080,000
Book value of Alabama real & tangible personal property	-23,080,000
Book value of real & tangible personal property in other states	0
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	0
Total value of all shares of stock remaining for assessment	27,097,000
State assessment (not less than zero)	5,419,400
County assessments	-4,616,000
Residue of total value of stock for assessment (not < 0)	803,400
N/A Domestic Shares Tax	55,836
Total Domestic Corporation Tax	55,886
Domestic Tax over (under) Foreign Tax	-25,405

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
Sunlink Corporation	-
Foreign Corporation: Franchise Tax (As Paid)	10,939
Domestic Corporation (As If)	
Capital Stock	11,367,000
Domestic Franchise Tax	113,670
Domestic Shares Tax:	
Total value of all shares of stock	11,366,000
Deductions:	
Book value of real & tangible personal property	10,490,000
Book value of Alabama real & tangible personal property	-2,819,961
Book value of real & tangible personal property in other states	7,670,039
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	7,670,039
Total value of all shares of stock remaining for assessment	3,695,961
State assessment (not less than zero)	739,192
County assessments	-563,992
Residue of total value of stock for assessment (not < 0)	175,200
N/A *Domestic Shares Tax*	12,176
Total Domestic Corporation Tax	125,846
Domestic Tax over (under) Foreign Tax	114,907

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	6,776
Domestic Corporation (As If)	
Capital Stock	1,000
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	11,360,000
Deductions:	
Book value of real & tangible personal property	8,947,000
Book value of Alabama real & tangible personal property	-2,764,195
Book value of real & tangible personal property in other states	6,182,805
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	6,182,805
Total value of all shares of stock remaining for assessment	5,177,195
State assessment (not less than zero)	1,035,439
County assessments	-552,839
Residue of total value of stock for assessment (not < 0)	482,600
N/A *Domestic Shares Tax*	33,541
Total Domestic Corporation Tax	33,591
Domestic Tax over (under) Foreign Tax	26,815

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	5,840
Domestic Corporation (As If)	
Capital Stock	1,000
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	11,368,000
Deductions:	
Book value of real & tangible personal property	11,780,000
Book value of Alabama real & tangible personal property	-2,695,756
Book value of real & tangible personal property in other states	9,084,244
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	9,084,244
Total value of all shares of stock remaining for assessment	2,283,756
State assessment (not less than zero)	456,751
County assessments	-539,151
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-5,790

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	7,769
Domestic Corporation (As If)	
Capital Stock	1,000
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	11,355,000
Deductions:	
Book value of real & tangible personal property	18,249,000
Book value of Alabama real & tangible personal property	-2,356,241
Book value of real & tangible personal property in other states	15,892,759
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	15,892,759
Total value of all shares of stock remaining for assessment	-4,537,759
State assessment (not less than zero)	0
County assessments	-471,248
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-7,719

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	37,952
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	24,751,000
Deductions:	
Book value of real & tangible personal property	24,069,000
Book value of Alabama real & tangible personal property	-7,590,075
Book value of real & tangible personal property in other states	16,478,925
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	16,478,925
Total value of all shares of stock remaining for assessment	8,272,075
State assessment (not less than zero)	1,654,415
County assessments	-1,518,015
Residue of total value of stock for assessment (not < 0)	136,400
N/A *Domestic Shares Tax*	9,480
Total Domestic Corporation Tax	9,530
Domestic Tax over (under) Foreign Tax	-28,422

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	24,108
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	24,739,593
Deductions:	
Book value of real & tangible personal property	30,581,000
Book value of Alabama real & tangible personal property	-7,498,806
Book value of real & tangible personal property in other states	23,082,194
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	23,082,194
Total value of all shares of stock remaining for assessment	1,657,399
State assessment (not less than zero)	331,480
County assessments	-1,499,761
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-24,058

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
Sunlink Corporation	
Foreign Corporation: Franchise Tax (As Paid)	15,199
Domestic Corporation (As If)	
Capital Stock	500
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	25,791,479
Deductions:	
Book value of real & tangible personal property	29,731,000
Book value of Alabama real & tangible personal property	-7,467,331
Book value of real & tangible personal property in other states	22,263,669
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	22,263,669
Total value of all shares of stock remaining for assessment	3,527,810
State assessment (not less than zero)	705,562
County assessments	-1,493,466
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	-15,149

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,242
Domestic Corporation (As If)	
Capital Stock	102,500
Domestic Franchise Tax	1,025
Domestic Shares Tax:	
Total value of all shares of stock	2,687,104
Deductions:	
Book value of real & tangible personal property	1,056,754
Book value of Alabama real & tangible personal property	-434,238
Book value of real & tangible personal property in other states	622,516
Book value of merchandise held for sale	21,220
Cost of domestic capital stock owned	0
Total deductions	643,736
Total value of all shares of stock remaining for assessment	2,043,368
State assessment (not less than zero)	408,674
County assessments	-86,848
Residue of total value of stock for assessment (not < 0)	321,826
N/A Domestic Shares Tax	22,367
Total Domestic Corporation Tax	23,392
Domestic Tax over (under) Foreign Tax	19,150

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,756
Domestic Corporation (As If)	
Capital Stock	101,500
Domestic Franchise Tax	1,015
Domestic Shares Tax:	
Total value of all shares of stock	2,838,978
Deductions:	
Book value of real & tangible personal property	1,672,700
Book value of Alabama real & tangible personal property	-594,272
Book value of real & tangible personal property in other states	1,078,428
Book value of merchandise held for sale	37,545
Cost of domestic capital stock owned	0
Total deductions	1,115,973
Total value of all shares of stock remaining for assessment	1,723,005
State assessment (not less than zero)	344,601
County assessments	-118,854
Residue of total value of stock for assessment (not < 0)	225,747
N/A *Domestic Shares Tax*	15,689
Total Domestic Corporation Tax	16,704
Domestic Tax over (under) Foreign Tax	11,948

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	4,835
Domestic Corporation (As If)	
Capital Stock	101,500
Domestic Franchise Tax	1,015
Domestic Shares Tax:	
Total value of all shares of stock	2,339,561
Deductions:	
Book value of real & tangible personal property	2,383,599
Book value of Alabama real & tangible personal property	-672,193
Book value of real & tangible personal property in other states	1,711,406
Book value of merchandise held for sale	200,285
Cost of domestic capital stock owned	0
Total deductions	1,911,691
Total value of all shares of stock remaining for assessment	427,870
State assessment (not less than zero)	85,574
County assessments	-134,439
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	1,015
Domestic Tax over (under) Foreign Tax	-3,820

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	2,753
Domestic Corporation (As If)	
Capital Stock	101,500
Domestic Franchise Tax	1,015
Domestic Shares Tax:	
Total value of all shares of stock	3,482,303
Deductions:	
Book value of real & tangible personal property	2,818,688
Book value of Alabama real & tangible personal property	-1,101,974
Book value of real & tangible personal property in other states	1,716,714
Book value of merchandise held for sale	404,854
Cost of domestic capital stock owned	0
Total deductions	2,121,568
Total value of all shares of stock remaining for assessment	1,360,735
State assessment (not less than zero)	272,147
County assessments	-220,395
Residue of total value of stock for assessment (not < 0)	51,752
N/A *Domestic Shares Tax*	3,597
Total Domestic Corporation Tax	4,612
Domestic Tax over (under) Foreign Tax	1,859

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	3,610
Domestic Corporation (As If)	
Capital Stock	98,000
Domestic Franchise Tax	980
Domestic Shares Tax:	
Total value of all shares of stock	2,867,000
Deductions:	
Book value of real & tangible personal property	2,835,000
Book value of Alabama real & tangible personal property	-1,108,485
Book value of real & tangible personal property in other states	1,726,515
Book value of merchandise held for sale	133,000
Cost of domestic capital stock owned	0
Total deductions	1,859,515
Total value of all shares of stock remaining for assessment	1,007,485
State assessment (not less than zero)	201,497
County assessments	-221,697
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	980
Domestic Tax over (under) Foreign Tax	-2,630

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	2,753
Domestic Corporation (As If)	
Capital Stock	98,000
Domestic Franchise Tax	980
Domestic Shares Tax:	
Total value of all shares of stock	1,401,000
Deductions:	
Book value of real & tangible personal property	2,471,000
Book value of Alabama real & tangible personal property	-840,243
Book value of real & tangible personal property in other states	1,630,757
Book value of merchandise held for sale	78,000
Cost of domestic capital stock owned	0
Total deductions	1,708,757
Total value of all shares of stock remaining for assessment	-307,757
State assessment (not less than zero)	0
County assessments	-168,049
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	980
Domestic Tax over (under) Foreign Tax	-1,773

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
TechSouth, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	25
Domestic Corporation (As If)	
Capital Stock	4,558
Domestic Franchise Tax	50
Domestic Shares Tax:	
Total value of all shares of stock	-196,951
Deductions:	
Book value of real & tangible personal property	1,838,000
Book value of Alabama real & tangible personal property	-1,072,468
Book value of real & tangible personal property in other states	765,532
Book value of merchandise held for sale	21,000
Cost of domestic capital stock owned	0
Total deductions	786,532
Total value of all shares of stock remaining for assessment	-983,483
State assessment (not less than zero)	0
County assessments	-214,494
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	50
Domestic Tax over (under) Foreign Tax	25

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	555,951
Domestic Corporation (As If)	
Capital Stock	229,220,760
Domestic Franchise Tax	2,292,208
Domestic Shares Tax:	
Total value of all shares of stock	2,178,687,840
Deductions:	
Bobk value of real & tangible personal property	3,939,514,364
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	3,939,514,364
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	3,939,514,364
Total value of all shares of stock remaining for assessment	-1,760,826,524
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	2,292,208
Domestic Tax over (under) Foreign Tax	1,736,257

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1987
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	557,066
Domestic Corporation (As If)	
Capital Stock	217,220,760
Domestic Franchise Tax	2,172,208
Domestic Shares Tax:	
Total value of all shares of stock	2,265,314,567
Deductions:	
Book value of real & tangible personal property	4,126,104,417
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	4,126,104,417
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	4,126,104,417
Total value of all shares of stock remaining for assessment	-1,860,789,850
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	2,172,208
Domestic Tax over (under) Foreign Tax	1,615,142

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1988
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	570,472
Domestic Corporation (As If)	
Capital Stock	245,220,760
Domestic Franchise Tax	2,452,208
Domestic Shares Tax:	
Total value of all shares of stock	4,091,698,803
Deductions:	
Book value of real & tangible personal property	7,337,924,567
Book value of Alabama real & tangible personal property	
Book value of real & tangible personal property in other states	7,337,924,567
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	7,337,924,567
Total value of all shares of stock remaining for assessment	-3,246,225,764
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	2,452,208
Domestic Tax over (under) Foreign Tax	1,881,736

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1989
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	574,252
Domestic Corporation (As If)	
Capital Stock	184,553,960
Domestic Franchise Tax	1,845,540
Domestic Shares Tax:	
Total value of all shares of stock	3,560,970,910
Deductions:	
Book value of real & tangible personal property	7,415,969,571
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	7,415,969,571
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	7,415,969,571
Total value of all shares of stock remaining for assessment	-3,854,998,661
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	1,845,540
Domestic Tax over (under) Foreign Tax	1,271,288

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	573,792
Domestic Corporation (As If)	
Capital Stock	181,220,760
Domestic Franchise Tax	1,812,208
Domestic Shares Tax:	
Total value of all shares of stock	3,720,564,633
Deductions:	
Book value of real & tangible personal property	7,657,131,790
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	7,657,131,790
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	7,657,131,790
Total value of all shares of stock remaining for assessment	-3,936,567,157
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	1,812,208
Domestic Tax over (under) Foreign Tax	1,238,416

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1991
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	571,327
Domestic Corporation (As If)	
Capital Stock	181,220,760
Domestic Franchise Tax	1,812,208
Domestic Shares Tax:	
Total value of all shares of stock	3,907,078,548
Deductions:	
Book value of real & tangible personal property	7,806,579,156
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	7,806,579,156
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	7,806,579,156
Total value of all shares of stock remaining for assessment	-3,899,500,608
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A *Domestic Shares Tax*	0
Total Domestic Corporation Tax	1,812,208
Domestic Tax over (under) Foreign Tax	1,240,881

Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1992
CSX Transportation, Inc.	
Foreign Corporation: Franchise Tax (As Paid)	567,946
Domestic Corporation (As If)	
Capital Stock	181,220,760
Domestic Franchise Tax	1,812,208
Domestic Shares Tax:	
Total value of all shares of stock	3,493,482,716
Deductions:	
Book value of real & tangible personal property	8,001,201,780
Book value of Alabama real & tangible personal property	0
Book value of real & tangible personal property in other states	8,001,201,780
Book value of merchandise held for sale	0
Cost of domestic capital stock owned	0
Total deductions	8,001,201,780
Total value of all shares of stock remaining for assessment	-4,507,719,064
State assessment (not less than zero)	0
County assessments	0
Residue of total value of stock for assessment (not < 0)	0
N/A Domestic Shares Tax	0
Total Domestic Corporation Tax	1,812,208
Domestic Tax over (under) Foreign Tax	1,244,262

Notes to Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

BellSouth Telecommunications, Inc.; South Central Bell Telephone Company; and CSX Transportation, Inc., were assumed to be public Code of Alabama 1975, to list their shares of stock for taxation or to pay ad valorem taxes on said shares computed pursuant to Sec. 40-14-70, Code of Alabama 1975.

BellSouth Corporation

For 1986, the entire investment in affiliates was used for 'cost of capital stock owned in domestic corporations' since no detail was provided in original return.

For 1990, the total stockholders equity from the balance sheet attached to the original return was used for 'total value of all shares of stock' even though the original return reflected a $5,649,902,127 more in surplus for which the taxpayer filed a peti

refund stating the amount was overstated for dividends previously paid throughout 1990; therefore, $545 was used for franchise tax paid instead of the original amount of $17,495.06.

South Central Bell Telephone Company

BellSouth Telecommunications, Inc.; South Central Bell Telephone Company; and CSX Transportation, Inc., were assumed to be public utilities not required by Sec. 40-21-29, Code of Alabama 1975, to list their shares of stock for taxation or to pay ad valore
taxes on said shares computed pursuant to Sec. 40-14-70, Code of Alabama 1975.

BellSouth Services, Inc.

BellSouth Financial Services Corporation

For 1989 -1992, the book value of Alabama real and tangible personal property was obtained by multiplying the amount for all states by the tangible property factor from Schedule C, Line 7 of the filed return since the information provided on the attached
balance sheet was not adequate.

BellSouth Advertising & Publishing Corporation

BellSouth Resources, Inc.

Notes to Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

BellSouth Products, Inc.

Alabama Cellular Services, Inc.

Sunlink Corporation

Notes to Financial Data and Calculations used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

TechSouth, Inc.

CSX Transportation, Inc.

BellSouth Telecommunications, Inc.; South Central Bell Telephone Company; and CSX Transportation, Inc., were assumed to be public utilities not required by Sec. 40-21-29, Code of Alabama 1975, to list their shares of stock for taxation or to pay ad valorem taxes on said shares computed pursuant to Sec. 40-14-70, Code of Alabama 1975.

Tax Rates used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1986	1987
BellSouth Telecommunications, Inc.	(Q: 11-12-91)	
Domestic Franchise Tax Rate	1.000%	1.000%
Domestic Minimum Franchise Tax A	$50.00	$50.00
State Tax Rate (Alabama)	0.650%	0.650%
County Tax Rate (Jefferson)	3.560%	3.560%
Special School Tax (Birmingham)	-0.110%	-0.110%
City Tax Rate (Birmingham)	2.850%	2.850%
Domestic Shares Tax Rate	6.950%	6.950%
Assessment rate	20.000%	20.000%

	1988	1989
Domestic Franchise Tax Rate	1.000%	1.000%
Domestic Minimum Franchise Tax A	$50.00	$50.00
State Tax Rate (Alabama)	0.650%	0.650%
County Tax Rate (Jefferson)	3.560%	3.560%
Special School Tax (Birmingham)	-0.110%	-0.110%
City Tax Rate (Birmingham)	2.850%	2.850%
Domestic Shares Tax Rate	6.950%	6.950%
Assessment rate	20.000%	20.000%

Tax Rates used in "As If Domestic" Analysis prepared for counsel in anticipation of South Central Bell case.

	1990	1991
Domestic Franchise Tax Rate	1.000%	1.000%
Domestic Minimum Franchise Tax A	$50.00	$50.00
State Tax Rate (Alabama)	0.650%	0.650%
County Tax Rate (Jefferson)	3.560%	3.560%
Special School Tax (Birmingham)	-0.110%	-0.110%
City Tax Rate (Birmingham)	2.850%	2.850%
Domestic Shares Tax Rate	6.950%	6.950%
Assessment rate	20.000%	20.000%

	1992
Domestic Franchise Tax Rate	1.000%
Domestic Minimum Franchise Tax A	$50.00
State Tax Rate (Alabama)	0.650%
County Tax Rate (Jefferson)	3.560%
Special School Tax (Birmingham)	-0.110%
City Tax Rate (Birmingham)	2.850%
Domestic Shares Tax Rate	6.950%
Assessment rate	20.000%